



## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **National Institutes of Health**

#### **Notice to Announce Updated Minimum Performance Standards for Experienced Firms that Receive Funding through the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs**

**AGENCY:** National Institutes of Health, HHS.

**ACTION:** Notice.

**SUMMARY:** The National Institutes of Health (NIH) announces the updated minimum performance standards for experienced firms funded through the Department of Health and Human Services (HHS) Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Programs.

**DATES:** The relevant funding opportunity announcements have been updated to incorporate these changes. The updated performance standards will be required of any firms submitting SBIR or STTR grant or cooperative agreement applications on or after April 5, 2023.

**ADDRESSES:** Please visit our website to view the updated Minimum Performance Standards for Experienced Firms at <https://seed.nih.gov/small-business-funding/small-business-program-basics/eligibility-criteria>.

**FOR FURTHER INFORMATION CONTACT:** Stephanie Fertig, HHS Small Business Program Lead, Small business Education & Entrepreneurial Development (SEED) Office, Office of Extramural Research, NIH, Rockledge I, Suite 800, Bethesda, MD 20817. Email: [seedinfo@nih.gov](mailto:seedinfo@nih.gov). Phone number (301) 435-2688.

**SUPPLEMENTARY INFORMATION:** The new minimum standards are aligned with Section 9 of the Small Business Act (15 U.S.C. 638), as amended by the SBIR and STTR Extension Act of 2022 (P.L. 117-183).

HHS is announcing the following changes:

**Phase I to Phase II Transition Rate Benchmark:** In accordance with guidance from the SBA, the HHS SBIR/STTR Program is implementing the Phase I to Phase II Transition Rate benchmark required by the SBIR/STTR Reauthorization Act of 2011 and the SBIR and STTR Extension Act of 2022. The benchmark establishes a minimum number of Phase II awards the company must have received for a given number of Phase I awards received during the 5-year time period. The Transition Rate is calculated as the total number of SBIR and STTR Phase II awards a company received during the past 5 fiscal years divided by the total number of SBIR and STTR Phase I awards it received during the past 5 fiscal years excluding the most recently-completed year.

**Phase II to Commercialization Benchmark:** In accordance with guidance from the SBA, HHS, including NIH, SBIR/STTR Programs are implementing the Phase II to Commercialization Rate benchmark for Phase I applicants, as required by the SBIR/STTR Reauthorization Act of 2011 and the SBIR and STTR Extension Act of 2022. The Commercialization Rate Benchmark was published in a Federal Register notice on August 8, 2013 (78 FR 48537).

This update is applicable to all HHS SBIR and STTR grants and cooperative agreements with application receipt dates on or after April 5, 2023. This update supersedes, in its entirety, previous Phase I to Phase II transition benchmarks established in May 2013 (78 FR 30951) and previous Commercialization Benchmarks established in September 2013 (78 FR 59410).

Additional information can be found at: <https://grants.nih.gov/grants/guide/notice-files/not-od-23-092.htm>.

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